

NATIONAL CANNERS ASSOCIATION

INFORMATION LETTER

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RAILROADS SUBMIT POOLING PLAN

Through the Association of Railway Executives, the railroads have submitted to the Interstate Commerce Commission a modified plan for the pooling of funds accruing from the increased freight rates that the Commission announced it would authorize, on condition that such funds be used to enable financially depressed railroads to meet their fixed charges. In this modified plan the railroads propose that the increased freight revenues be distributed to the needy carriers as loans and not as gratuities. These loans would be made for a period not to exceed two years, but would be renewable for an additional two-year period.

The railroads have thus taken the first step required by the Commission toward securing the increased rates contemplated in the Commission's decision on October 23. The scope of these proposed increases was indicated in the Information Letter for October 24.

The railroads recommended that the Commission modify its report fixing the amount of increase per car to convert these per car charges into equivalent charges expressed in cents per net ton, and also proposed a substitute provision for the Commission's plan with regard to rates on less-than-carload freight. The latter change, the railroads states, could be accomplished without any substantial change in the rates as proposed by the Commission.

NEW RATES ESTABLISHED FOR SOUTHERN TERRITORY

The Interstate Commerce Commission has found the proposed rates on canned goods in carloads to, from and between points in southern territory justified to the extent that they do not exceed the seventh-class rates, except where departures from the long-and-short haul rule of the fourth section would result to destinations in North Carolina, and except the proposed rates from Green Bay, Oconto and Sturgeon Bay, Wis. The Commission has accordingly entered an order vacating the suspension of these rates, and has also prescribed rates from the points in Wisconsin.

This rate revision developed from the southern class rate

investigation, and the rates now going into effect are generally on the basis of seventh-class, minimum 36,000 pounds, proposed as the result of that investigation. Following the publication of the report proposing these rates, protests were filed, and the schedules were suspended until August 4, 1930, and subsequently until December 4, 1931. The rates do not divide the canned goods list into two classes, as was done in the Consolidated Southwestern cases, which have been reopened to determine the propriety of the rates now in effect to the Southwest.

In the southern territory, seventh-class rates are 35 per cent of first-class rates, and the first-class rates in southern territory are 139 per cent of the first-class rates under the Commission's findings in the eastern class rate investigation. The Commission's report points out that it may well be, as contended by those protesting the new rates, that the difference between the general class rate levels fixed in the various territories is not properly adjusted according to relative transportation conditions; but, the Commission adds, there is no substantial evidence in the record of the case to show to what extent that may be true.

Two members of the Commission dissented from the findings, both of them basing their dissent on the difference between the general level of rates established for the southern and the eastern territories.

With reference to the rates from Green Bay, Oconto, and Sturgeon Bay, to destinations in southern territory, the Commission found that they should not be in excess of five, seven and eight cents respectively over those contemporaneously maintained from Milwaukee to the same destinations.

REPORT ON FRESH VEGETABLES COMING SOON

Included in the reports which the U. S. Tariff Commission expects to submit to the President before November 30, the date on which Chairman Fletcher's resignation from the Commission becomes effective, are those on tomatoes in their natural state, peppers, green beans, green peas, lima beans, eggplant, cucumbers, okra and pineapple.

LEAFLET ON CORN PACK

With this issue of the Information Letter members will receive the annual statistical leaflet on the pack of canned corn. In this leaflet the packs for 1930 and 1931, as compiled by the Foodstuffs Division, Bureau of Foreign and Domestic Commerce, are shown both in standard cases and in cases of all sizes of containers. In addition, there are tables showing the pack of cream style and whole grain corn by states and by sizes of containers.

FARM PRICE SITUATION

The index of farm prices on October 15 was 68, or 4 points lower than on September 15, and compared with 106 on October 15 last year. All groups of commodities in the index declined with the exception of dairy and poultry products, prices of which followed the usual seasonal movement, advancing the index for this group from 93 on September 15 to 99 on October 15.

Since August, 1929, the index of farm prices has declined each month with the exception of April and September, 1930, and March, 1931, when prices made only moderate advances. In August, 1929, the index was 143 so that the level of prices on October 15 at 68 was only 47.5 per cent of that of August, 1929.

EMPLOYMENT IN OCTOBER

Fifteen industrial groups reporting to the U. S. Bureau of Labor Statistics showed a decrease of 2.7 per cent in employment in October as compared with September, and a decrease of 0.9 per cent in pay-roll totals. These industrial groups included 48,434 establishments having in October 4,603,617 employees whose combined earnings in one week were \$103,983,267. Three of the 15 industrial groups reported gains in employment and earnings from September to October, these being anthracite and bituminous coal mining and retail trade.

BUSINESS INDICATORS

(Weeks ended Saturday; weekly average 1923-1925=100)

| | 1931 | | | 1930 | | |
|------------------------------|---------|--------|---------|---------|--------|--------|
| | Nov. 14 | Nov. 7 | Oct. 31 | Nov. 15 | Nov. 8 | Nov. 1 |
| Composite Index:* | | | | | | |
| New York Times..... | 65.3 | 65.4 | 80.4 | 70.7 | 81.8 | |
| Business Week..... | 67.8 | †67.8 | 78.6 | 80.1 | 81.9 | |
| Freight car loadings..... | 74.8 | 77.2 | 86.5 | 91.9 | 97.5 | |
| Wholesale prices (Fisher's): | | | | | | |
| All commodities..... | 68.5 | 68.3 | 68.5 | 82.2 | 82.2 | 82.4 |
| Agricultural products.. | 53.9 | 53.8 | 53.9 | 81.3 | 82.5 | 83.4 |
| Non-agricultural products | 70.2 | 70.1 | 70.6 | 81.3 | 80.8 | 81.1 |
| Bank debits outside New | | | | | | |
| York City..... | 66.5 | 83.8 | 75.7 | 100.7 | 111.7 | 103.8 |
| Bond prices..... | 96.3 | 94.9 | 94.1 | 106.5 | 107.0 | 107.2 |
| Stock prices..... | 101.7 | 100.0 | 95.4 | 160.0 | 162.4 | 171.2 |
| Interest rates: | | | | | | |
| Call money..... | 60.6 | 60.6 | 60.6 | 48.5 | 48.5 | 48.5 |
| Time money..... | 91.4 | 91.4 | 90.5 | 62.9 | 66.3 | 68.6 |
| Business failures..... | 130.5 | 126.5 | 130.2 | 121.6 | 120.1 | 123.3 |

*Relative to a computed normal taken as 100.

†Revised.

CAR LOADINGS

| | Total | Miscellaneous | Merchandise L. C. L. | Other |
|------------------------------|-----------|---------------|-------------------------|---------|
| Week ended November 7..... | 717,029 | 264,449 | 212,678 | 239,902 |
| Previous week..... | 740,363 | 273,060 | 214,339 | 252,934 |
| Corresponding week, 1930.... | 881,517 | 329,435 | 256,731 | 315,351 |
| Corresponding week, 1929.... | 1,048,968 | 403,950 | 267,879 | 377,139 |

WHOLESALE AND RETAIL PRICES IN OCTOBER

The index number of wholesale prices computed by the Bureau of Labor Statistics shows a decrease from 69.1 in September to 68.4 in October, a decrease of a little more than 1 per cent. This index number, based on the average prices for 1926 as 100, shows a decline of 17 per cent when compared with October, 1930.

Retail food prices in 51 cities of the United States, as reported to the Bureau, showed an average decrease of about one-third of 1 per cent on October 15 when compared with September 15, and an average decrease of about 17½ per cent since October 15, 1930. The prices of canned red salmon and canned corn decreased 3 per cent, pork and beans, canned peas, and canned tomatoes 1 per cent. Evaporated milk showed an increase of 1 per cent.

POULTRY USED IN CANNING

The quantity of poultry used in canning during October, as reported by the U. S. Market News Service, is as follows, the figures for drawn poultry having been converted to an undrawn basis, assuming a 25 per cent shrinkage in drawing:

| | Quantities reported to date for | Same-firm comparison | | | |
|--|---------------------------------------|----------------------|-------------------|----------------|----------------|
| | October 1931 | October 1931 | September 1931 | October | |
| | Pounds | Pounds | Pounds | 1931 Pounds | 1930 Pounds |
| Dressed poultry canned or used in canning . . . | 775,664 | 775,664 | 1,166,830 | 716,296 | 1,120,907 |
| Drawn poultry canned or used in canning . . . | 178,599 | 178,599 | 115,870 | 164,852 | 369,308 |
| Total | 954,263 | 954,263 | 1,282,700 | 881,148 | 1,490,305 |
| Number of firms report- ing | 27 | 27 | 27 | 23 | 23 |

SHARP DECREASE IN TRUCK SHIPMENTS

The southern vegetable season has begun in earnest. Florida and Texas particularly are shipping several kinds of new-crop vegetables. The cabbage season has now opened in both those States. Lettuce and tomatoes are moving from Florida and spinach from Texas and the Norfolk section of Virginia. Green peas are active in Imperial Valley, and carrots in various sections of California. Shipments of Florida snap beans increased to 280 cars last week.

Total forwardings of 29 fruits and vegetables for the week ended November 15th decreased rather sharply to 16,720 cars, compared with 19,025 a year ago. Apple movement dropped to 3,685 cars and potatoes were down to 3,525 for the week. Grapes

required only 1,425 cars but were heavier than last November because of larger eastern crops. Cold-storage holdings of apples are considerably heavier than last autumn.

Orange shipments increased to 1,575 cars, as a result of Florida moving about 515 while California decreased to 1,000 cars, for the week. Alabama originated 35 cars of oranges, and the season was opening in Arizona and Louisiana. Grapefruit forwardings from Florida jumped to 550 cars last week; Texas increased to 150, and Arizona shipped a dozen cars.

CARLOT SHIPMENTS

| Commodity | Nov. 8-14 1931 | Nov. 1-7 1931 | Nov. 9-15 1930 | Total this ses- son thru Nov. 14 | Total last ses- son thru Nov. 15 | Total last season |
|-------------------------|----------------------|---------------------|----------------------|---|---|-------------------------|
| Apples, total..... | 3,085 | 5,219 | 4,288 | 57,077 | 68,373 | 109,793 |
| Eastern states..... | 2,387 | 3,416 | 1,767 | 33,302 | 28,937 | 43,250 |
| Western states..... | 1,298 | 1,803 | 2,521 | 23,775 | 39,436 | 66,537 |
| Asparagus..... | 12 | 13 | 2 | 3,858 | 2,788 | 2,789 |
| Beans, snap and lima: | | | | | | |
| 1932 season..... | 270 | 240 | 308 | 847 | 724 | 9,281 |
| 1931 season..... | 11 | 27 | 15 | 9,281 | 9,521 | 9,559 |
| Beets: | | | | | | |
| 1932 season..... | 33 | 10 | | 43 | | 1,598 |
| 1931 season..... | 3 | 2 | | 1,598 | | |
| Cabbage: | | | | | | |
| 1932 season..... | 4 | 0 | 0 | 4 | 0 | 31,429 |
| 1931 season..... | 907 | 1,021 | 963 | 31,429 | 31,296 | 28,293 |
| Carrots: | | | | | | |
| 1932 season..... | 159 | 88 | 191 | 576 | 789 | 9,890 |
| 1931 season..... | 59 | 62 | 89 | 9,890 | 10,668 | 12,428 |
| Cauliflower..... | 388 | 400 | 436 | 2,991 | 2,822 | 9,615 |
| Cucumbers..... | 19 | 19 | 64 | 6,411 | 7,543 | 7,663 |
| Mixed deciduous fruit.. | 16 | 23 | 16 | 3,592 | 5,826 | 5,921 |
| Mixed vegetables..... | 315 | 239 | 472 | 25,430 | 27,951 | 31,180 |
| Pears..... | 135 | 161 | 179 | 18,127 | 26,787 | 28,835 |
| Peas (green): | | | | | | |
| 1932 season..... | 104 | 60 | 227 | 177 | 413 | 7,114 |
| 1931 season..... | 17 | 30 | 10 | 7,114 | 6,793 | 6,800 |
| Peppers: | | | | | | |
| 1932 season..... | 26 | 22 | 24 | 54 | 70 | 2,808 |
| 1931 season..... | 14 | 17 | 25 | 2,808 | 2,755 | 2,786 |
| Spinach: | | | | | | |
| 1932 season..... | 11 | 2 | 11 | 13 | 48 | 9,602 |
| 1931 season..... | 35 | 50 | 17 | 9,602 | 9,617 | 9,636 |
| Tomatoes: | | | | | | |
| 1932 season..... | 3 | 1 | 22 | 4 | 32 | 27,427 |
| 1931 season..... | 222 | 319 | 210 | 27,427 | 33,239 | 34,050 |

STUDIES OF THE EFFECT OF CULTIVATION

"Cultivation Experiments with Certain Vegetable Crops on Long Island" is the title of Bulletin 521 issued by Cornell University Experiment Station, Ithaca, N. Y., giving the results of studies on the effect on yield of several vegetable crops of (1) cultivating approximately once a week throughout the growth of the crop or until the plant seriously interfered with the work, (2) cultivation about once a week until the crop was approximately half grown, (3) scraping the surface to control weeds

without forming a soil mulch, (4) no cultivation, weeds allowed to grow. The bulletin states:

"The yield data for all of the crops show conclusively that the main advantage derived from cultivation was through the control of weeds. The formation and maintenance of a soil mulch by cultivation did not increase significantly the yield of any one of the six crops."

Cabbage, onions, potatoes, carrots, beets and tomatoes were included in the tests.

LABELING OF CANNED RABBIT MEAT

Acting on reports that certain promoters of backyard rabbit raising in Eastern States are advertising that they plan to open canneries for the purpose of putting up rabbit meat for sale as "chicken a la king," Dr. P. B. Dunbar, Assistant Chief of the Federal Food and Drug Administration, has announced:

"There is no objection, under the Federal Food and Drugs Act, to the distribution, within the jurisdiction of the Administration, of canned rabbit prepared from sound, wholesome stock and labeled for exactly what it is. But the housewife—and the canner or packer—may be sure that any attempt to sell rabbit meat as 'canned chicken' will result in immediate regulatory action by Federal officials who enforce the national pure food law, if interstate shipment is attempted. If such a mislabeled food is distributed only within the state where manufactured, however, the Administration has no power to act, under the law. In such a case, state food officers doubtless will take immediate action."

Under the Food and Drugs Act, a food can not be legally disposed of in interstate commerce if it is falsely labeled.

AUSTRALIAN FRUIT SALES IN ENGLAND

According to a report received from London by the Department of Commerce, the Australian Canned Fruit Board has sold the whole of the stocks of the 1931 pack of export grades of canned peaches, pears and apricots in England and afloat. Sales in the last fortnight were 3,000,000 tins, which was due to the unaltered prices, while foreign competitors advanced their prices because of the depreciation of sterling. The sales made to the present total 776,457 cases (comprising 108,001 cases of apricots, 489,329 cases of peaches, and 179,127 cases of pears). This is the largest quantity Australia has ever disposed of on the British market in one year.

The disposal of the whole of the export grades of canned

fruits has opened the way for further very heavy forward sales of "standard" pack fruits, which, under normal conditions, would not have been exported, and for which London buyers offered an advance in prices. The effect of this will be to shorten materially the quantities available for the Australian market, and enable canneries to start the coming season with practically no carry-over.

Although a substantial reduction has been made in the distributing prices of the new winter pack of Queensland pineapples, it is reported that the pack is much smaller than that of last year. Prices apparently have been lowered to meet competition from other canned fruits, and also with a view to increasing consumption. The summer pack will not be available until February.

MARKET FOR BRITISH COLUMBIA SALMON IN JAPAN

A new market for British Columbia chum salmon has been developed in Japan, and it is expected will become an important item in the annual export fish movement, according to the American trade commissioner at Vancouver. As a result of a few experimental shipments made last year, 2,000,000 pounds of frozen chums will be sold on the Japanese market this season. The movement is now under way and the development has given satisfaction to the fishing industry. The volume of salt salmon for the same market, it is said, is not affected by this frozen fish movement.

CANADIAN SALMON QUOTED HIGHER IN NEW ZEALAND

Consequent upon the depreciation of the pound sterling in terms of Canadian dollars shippers have notified the withdrawal of previous prices for Canadian salmon and now quote from 20 to 25 per cent higher, according to information received from the American trade commissioner at Wellington, New Zealand. Little business is reported to have passed in this line since the original prices were announced, owing to the Canadian tariff deadlock. Merchants now are less likely to take the further risk on the exchange position.

QUARANTINE ON PHONY PEACH DISEASE EXTENDED

The Federal quarantine on account of the phony peach disease has been extended by the Secretary of Agriculture to cover the States of Louisiana, Mississippi, and South Carolina, parts of the States of Arkansas, Florida, Illinois, North Carolina, Tennessee and Texas, as well as those parts of Alabama and Georgia which are not already under quarantine to prevent the spread of this disease. The revision becomes effective November 30, 1931.

The products restricted under this quarantine are peach trees, peach roots, nectarine trees, nectarine roots, or any kinds or varieties of trees or shrubs grafted or budded on peach or nectarine roots. The fruits do not carry the disease and are, therefore, not affected by the quarantine.

CANNED FOODS AS PELLAGRA PREVENTIVES

Results of studies conducted by the U. S. Public Health Service at the Milledgeville State Hospital in Georgia to determine the relative pellagra-preventive potency of canned spinach, canned turnip greens, mature onions, and canned green beans, are presented in the November 6 issue of "Public Health Reports." The summary and conclusions of the report state:

1. Canned spinach, canned turnip greens, mature onions, and canned green beans have been tested for their relative pellagra-preventive potency.

2. Canned spinach supplies the pellagra-preventive vitamin, but can not be regarded as especially rich in it. It is, however, considered an important contributory source of this factor.

3. Canned turnip greens supply the pellagra-preventive vitamin and, at least in liberal quantity, adequately supplement an otherwise pellagra-producing diet. This substance meets many of the requirements of a practical and effective dietary supplement in the pellagrous sections.

4. The mature onion is a very poor source of the pellagra-preventive vitamin.

5. Canned green beans are, relatively, a poor source of the pellagra-preventive vitamin.

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